

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA,

v.

19 cr 833 (SHS)

KEVIN HANDREN,

Defendant.

Plea

New York, N.Y.  
March 24, 2021  
9:30 a.m.

Before:

HON. SIDNEY H. STEIN,

District Judge

APPEARANCES

AUDREY STRAUSS

United States Attorney for the  
Southern District of New York

BY: ROBERT B. SOBELMAN

KIERSTEN A. FLETCHER

BENET KEARNEY

Assistant United States Attorneys

Perry Guha LLP

Attorneys for Defendant

BY: Samidh Jalem Guha

Also Present: Christopher Bastos, NYPD  
Special Agent Kathleen Corbett, HSI

1 (Case called)

2 THE DEPUTY CLERK: Counsel, State your names for the  
3 record.

4 MR. SOBELMAN: Robert Sobelman, Benet Kearney, and  
5 Kiersten Fletcher for the United States. We're joined on this  
6 video conference with Detective Christopher Bastos with the New  
7 York City Police Department and Special Agent Kathleen Corbett  
8 with Homeland Security Investigations.

9 Good morning, your Honor.

10 THE COURT: Good morning.

11 MR. GUHA: Good morning, your Honor. On behalf of  
12 Mr. Handren, it's Samidh Guha. That's S-a-m-i-d-h, and the  
13 last name is G-u-h-a.

14 My colleague, George Barchini, is on the phone. His  
15 spelling is G-e-o-r-g-e. The last name is B-a-r-c-h-i-n-i.  
16 We're counsel of record for Mr. Handren with the law firm Perry  
17 Guha LLP. Our client, Mr. Handren, is also present on video  
18 and audio. His last name is H-a-n-d-r-e-n, and the first name  
19 is K-e-v-i-n.

20 Good morning, your Honor.

21 THE COURT: Good morning, sir.

22 Mr. Handren, can you see and hear me, sir?

23 THE DEFENDANT: Yes, your Honor.

24 THE COURT: Can you see and hear your attorney,  
25 Mr. Guha?

1 THE DEFENDANT: Yes, your Honor.

2 THE COURT: Now, Mr. Handren, are you aware that you  
3 have been charged with violations of federal law?

4 THE DEFENDANT: Yes, your Honor.

5 THE COURT: Have you consulted with Mr. Guha about  
6 those charges?

7 THE DEFENDANT: Yes, your Honor.

8 THE COURT: I'm informed that you wish to enter a plea  
9 of guilty to certain of those charges.

10 Is that correct?

11 THE DEFENDANT: Yes, your Honor.

12 THE COURT: Do you understand you have a right to  
13 appear physically before me in a courtroom at 500 Pearl Street,  
14 Southern District of New York, when you plead guilty?

15 Do you understand that?

16 THE DEFENDANT: Yes, your Honor.

17 THE COURT: Do you also understand that you have a  
18 right to have Mr. Guha physically next to you at that time?

19 THE DEFENDANT: Yes, your Honor.

20 THE COURT: Are you also aware that the public health  
21 emergency created by the COVID-19 pandemic has interfered with  
22 travel and restricted access to that courthouse?

23 THE DEFENDANT: Yes, your Honor.

24 THE COURT: Have you discussed those issues with  
25 Mr. Guha?

1 THE DEFENDANT: Yes, your Honor.

2 THE COURT: I have a document here that says that you  
3 wish to advise me that you are willingly giving up your right  
4 to appear in person and to have Mr. Guha standing next to you  
5 at the time you enter a plea of guilty.

6 Did you sign that document, sir?

7 THE DEFENDANT: Yes, your Honor.

8 THE COURT: Are you in fact willing to give up the  
9 right you have to have Mr. Guha next to you and for you to be  
10 in front of me when you enter a plea of guilty?

11 THE DEFENDANT: Yes, your Honor.

12 THE COURT: I'm going to sign this document.

13 Mr. Guha, you've signed this as well; correct?

14 MR. GUHA: Yes, your Honor.

15 THE COURT: I'm going to sign it, and I'm going to  
16 direct my deputy to file it.

17 Now, Mr. Handren, I want you to know that you still  
18 have the right to speak privately with Mr. Guha. So if at any  
19 time during this proceeding you wish to talk with him or he  
20 wishes to talk with you, just let me know that, or he can let  
21 me know that in this proceeding. And then you'll be able to  
22 set up a private line of communication with Mr. Guha.

23 Do you understand that, sir?

24 THE DEFENDANT: Yes, your Honor.

25 THE COURT: Now, I understand, Mr. Handren, that

you're not only presented by Mr. Guha, but you're also represented by Danya Perry and George Barchini of the same law firm, that is, Perry Guha, LLP.

Is that correct?

THE DEFENDANT: Yes, your Honor.

THE COURT: And I want to inform you, sir, that apparently Mr. Barchini submitted an application to be an assistant United States attorney in the United States Attorney's Office for the Southern District of New York.

That's not unusual in and of itself. Especially these days, it's a popular place to be. And young lawyers who want to be litigators very frequently will apply to join Mr. Sobelman and his colleagues in the U.S. Attorney's Office. But that represents a potential conflict here.

Do you understand that, sir?

THE DEFENDANT: Yes, your Honor.

THE COURT: Everyone is entitled under our Constitution to have effective assistance of counsel. Sir, that means that you're entitled to have a counsel whose sole interests are yours.

Do you understand that?

THE DEFENDANT: Yes, your Honor.

THE COURT: What I think is a potential conflict here is the fact that if Mr. Barchini, one of your lawyers, has applied to the U.S. Attorney's Office to be a member of that

office, he may, in theory, want to curry favor with them and, in theory, may therefore help them in their prosecution of you in this matter.

Now, I'm not saying that's going to happen or will happen or can happen. I'm saying it's a theoretical possibility that you need to be aware of.

Do you understand that?

THE DEFENDANT: Yes, your Honor.

THE COURT: Are you satisfied with the representation of Mr. Guha and his colleagues so far?

THE DEFENDANT: Yes, your Honor.

THE COURT: Let me ask a few questions about your mental and physical condition, sir.

Are you currently seeing a doctor or psychiatrist for any reason?

THE DEFENDANT: No, your Honor.

THE COURT: Are you currently under the influence of alcohol or drugs or medicine of any kind?

THE DEFENDANT: No, your Honor.

THE COURT: In the past 24 hours, sir, have you taken any drugs, medicine, or alcohol?

THE DEFENDANT: No, your Honor.

THE COURT: Are you feeling well enough to proceed today?

THE DEFENDANT: Yes, your Honor.

1 THE COURT: How are you feeling today, sir?

2 THE DEFENDANT: I feel good, your Honor.

3 THE COURT: Is your mind clear?

4 THE DEFENDANT: Yes, sir.

5 THE COURT: Have you discussed these issues, these  
6 potential issues? That is, Mr. Barchini may be less than  
7 zealous in representing you, if indeed he's seeking a position  
8 with the Southern District's office.

9 Have you discussed those issues with Mr. Guha?

10 THE DEFENDANT: Yes, your Honor.

11 THE COURT: Have you discussed them also with  
12 Mr. Barchini?

13 THE DEFENDANT: Yes, your Honor.

14 THE COURT: If you wish to proceed here, sir, and  
15 continue to be represented by the law firm that Mr. Guha is a  
16 partner in, do you understand that you would be waiving any  
17 argument that you would have after you're sentenced in this  
18 case that Mr. Barchini was ineffective because he had a  
19 potential conflict of interest due to his interest in joining  
20 the U.S. Attorney's Office?

21 Do you understand that?

22 THE DEFENDANT: Yes, your Honor.

23 THE COURT: Now, it's important that you understand  
24 that I don't have the ability to foresee all ways in which this  
25 potential conflict of interest may play itself out. I've given

1 you what I believe is the potential framework for the potential  
2 conflict. But I don't know in what way it would actually  
3 occur, if it does.

4 I want you to tell me, sir, in your own words what you  
5 think I'm talking about.

6 What do you think is the problem here or the potential  
7 problem that's raised by virtue of the fact that one of your  
8 lawyers is seeking to join the government, which is prosecuting  
9 you here?

10 Tell me in your own words.

11 THE DEFENDANT: I understand, your Honor, that there  
12 is a possible conflict of interest that Mr. Barchini would be  
13 incentivized to possibly have the prosecution's best interests  
14 in mind instead of mine and to curry favor with them to try and  
15 gain employment with them.

16 THE COURT: All right. You have the right under our  
17 laws to consult with another lawyer simply on the issue of  
18 whether or not you should waive your right to conflict-free  
19 representation.

20 In other words, if you wish, you can speak to another  
21 lawyer about this issue. And we can delay things, adjourn  
22 things, and have you do that.

23 Do you want me to do that? Do you want to speak to  
24 another lawyer? Or do you want me to appoint another lawyer to  
25 represent you in connection with advising you solely on this



1 issue of a potential conflict of interest?

2 THE DEFENDANT: No, your Honor.

3 THE COURT: Do you understand that if you can't afford  
4 a lawyer, I certainly will appoint a lawyer to do that free of  
5 charge for you?

6 Do you understand that?

7 THE DEFENDANT: Yes, your Honor.

8 THE COURT: Is there anything I've said that you want  
9 me to explain further?

10 THE DEFENDANT: No, your Honor.

11 THE COURT: Do you wish to proceed now with  
12 Mr. Barchini as one of your attorneys in this case?

13 Or do you want to stop this proceeding to think about  
14 it? Or do you want to hire a new lawyer?

15 THE DEFENDANT: I would like to proceed, your Honor.

16 THE COURT: Do you wish to proceed then with  
17 Mr. Barchini as one of your lawyers?

18 THE DEFENDANT: Yes, your Honor.

19 THE COURT: Have you received any inducements,  
20 promises, or threats with regard to your decision about this  
21 potential conflict?

22 THE DEFENDANT: No, your Honor.

23 THE COURT: Is your waiver of right to conflict-free  
24 representation voluntary, that is, of your own free will?

25 THE DEFENDANT: Yes, your Honor.

1 THE COURT: Are you agreeing to waive all future  
2 arguments, either before me or on appeal, that you are were  
3 denied effective assistance of counsel because of  
4 Mr. Barchini's pursuit of a position as a federal prosecutor?

5 THE DEFENDANT: Yes, your Honor.

6 THE COURT: All right. I do find now that the waiver  
7 by the defendant is knowing and voluntary. And I apologize. I  
8 do see that the law firm is entitled Perry Guha LLP. I earlier  
9 said that I didn't think it was.

10 Well, that was the *Curcio* hearing, and we will proceed  
11 now with the change of plea.

12 Has everything you've told me, sir, been true and  
13 accurate?

14 THE DEFENDANT: Yes, your Honor.

15 THE COURT: Ms. Blakely, if you would administer the  
16 oath at this point, I'd appreciate it.

17 (Defendant sworn)

18 THE DEPUTY CLERK: Thank you.

19 Please state your name and spell your last name for  
20 the record.

21 THE DEFENDANT: Kevin Christopher Handren,  
22 H-a-n-d-r-e-n.

23 THE COURT: Mr. Handren, do you understand that my  
24 deputy has placed you under oath and that if you answer any of  
25 my questions falsely, your false or untrue answers may later be

1 used you against you in another prosecution for perjury or for  
2 making a false statement?

3 THE DEFENDANT: Yes, your Honor.

4 THE COURT: How old are you, sir?

5 THE DEFENDANT: Thirty-eight years old.

6 THE COURT: How far did you go in school?

7 THE DEFENDANT: I have a bachelor's degree from the  
8 University of Utah.

9 THE COURT: Are you able to read, write, and speak  
10 English?

11 THE DEFENDANT: Yes, your Honor.

12 THE COURT: English is your native language. Correct?

13 THE DEFENDANT: Yes, your Honor.

14 THE COURT: I believe I've already asked you if you  
15 are now or have recently been under the care of a doctor or a  
16 psychiatrist.

17 Have you been?

18 THE DEFENDANT: No, your Honor.

19 THE COURT: Have you ever been treated or hospitalized  
20 for any mental illness or any type of addiction, including drug  
21 or alcohol addiction?

22 THE DEFENDANT: No, your Honor.

23 THE COURT: Who is your attorney here, sir?

24 THE DEFENDANT: Mr. Guha.

25 THE COURT: Mr. Guha, do you have any doubt as to

Mr. Handren's competence to plead at this time?

MR. GUHA: No, I do not.

THE COURT: Is it true, Mr. Handren, you wish to plead guilty to certain of the charges against you?

THE DEFENDANT: Yes, your Honor.

THE COURT: Have you had a complete opportunity to discuss your case with Mr. Guha and to discuss the consequences to you if indeed you enter a plea of guilty today and if I accept it?

THE DEFENDANT: Yes, your Honor.

THE COURT: Are you satisfied with Mr. Guha and his representation of you?

THE DEFENDANT: Yes, your Honor.

THE COURT: And the representation of Ms. Perry and Mr. Barchini of you?

THE DEFENDANT: Yes, your Honor.

THE COURT: On the basis of Mr. Handren's responses to my questions and my observations of his demeanor as he appears before me virtually today and as he appeared before me earlier at the *Curcio* hearing, I make the finding that he's fully competent to enter an informed plea now.

But before I accept a plea from you, sir, I'm going to be asking you a series of questions that are intended to satisfy me that you wish to plead guilty because you are guilty and that you fully understand the consequences of entering a

plea of guilty.

I'm going to be describing to you a variety of rights you have under the Constitution and laws of the United States. You're going to be giving up those rights if we proceed with this proceeding.

I want you to listen to me carefully. And if you don't understand anything I'm saying to you or anything I'm asking, you can ask me anything you want. You can ask Mr. Guha anything you want, as you know. You can tell me you want to speak privately with Mr. Guha.

Do you understand all of that?

THE DEFENDANT: Yes, your Honor.

THE COURT: Under the Constitution and laws of the United States, sir, you have a right to a speedy and public trial on the charges against you which are contained in superseding information S3 19 cR 833.

Do you understand that?

THE DEFENDANT: Yes, your Honor.

THE COURT: If there were a trial, you would be presumed innocent, and the government would be required to prove you guilty by competent evidence and beyond a reasonable doubt. You would not have to prove you were innocent at a trial.

Do you understand that?

THE DEFENDANT: Yes, your Honor.

1 THE COURT: I also wish to put on the record that I do  
2 find that this matter cannot be further delayed without serious  
3 harm to the interests of justice.

4 Now, if there were a trial, Mr. Handren, you would be  
5 presumed innocent, and the government would be required to  
6 prove you guilty by competent evidence and beyond a reasonable  
7 doubt.

8 You would not have to prove you were innocent at a  
9 trial because the burden of proof would be on the government at  
10 all times to prove guilty beyond a reasonable doubt.

11 Do you understand that?

12 THE DEFENDANT: Yes, your Honor.

13 THE COURT: If there were a trial, a jury composed of  
14 12 people selected from this district would have to agree  
15 unanimously that you were guilty.

16 Do you understand those rights?

17 THE DEFENDANT: Yes, your Honor.

18 THE COURT: You have a right to be represented by an  
19 attorney at trial and at every other stage of the proceedings.

20 Do you understand that?

21 THE DEFENDANT: Yes, your Honor.

22 THE COURT: If you can't afford an attorney, one will  
23 be provided to you at no cost to you.

24 Do you understand that?

25 THE DEFENDANT: Yes, your Honor.

1 THE COURT: If there were a trial, you would have a  
2 right to see and hear all of the witnesses against you,  
3 Mr. Handren, and your attorney can cross-examine them.

4 You would have a right to have your attorney object to  
5 the government's evidence and offer evidence on your own  
6 behalf, if you so desired. And you would have the right to  
7 have subpoenas issued or other compulsory process used to  
8 compel witnesses to testify in your defense.

9 Do you understand all those rights?

10 THE DEFENDANT: Yes, your Honor.

11 THE COURT: If there were a trial, you would have the  
12 right to testify if you wanted to. But no one could force you  
13 to if you did not want to. Further, no inference or suggestion  
14 of guilt could be drawn if you chose not to testify at trial.

15 Do you understand all of those rights?

16 THE DEFENDANT: Yes, your Honor.

17 THE COURT: Do you understand that by entering a plea  
18 of guilty now, you're going to be giving up every one of the  
19 rights I've been listing for you, sir?

20 You will be waiving those rights, and there will be no  
21 trial against you.

22 Do you understand that?

23 THE DEFENDANT: Yes, your Honor.

24 THE COURT: Now, Mr. Handren, it's important that you  
25 understand that you have the right to change your mind right

now. And you can decline to enter a plea of guilty at any time during this proceeding.

You don't have to enter a plea if you do not want to for any reason. That is, you don't have to enter a plea of guilty if you do not want to for any reason. You already have entered a plea of not guilty.

Do you understand that you have the right to decline to enter a plea of guilty for any reason at all?

THE DEFENDANT: Yes, your Honor.

THE COURT: As a matter of fact, you don't have to have a reason. You can just tell me you don't want to enter it.

Do you understand that?

THE DEFENDANT: Yes, your Honor.

THE COURT: Have you received a copy of superseding information S3 19 CR 833?

THE DEFENDANT: Yes, your Honor.

THE COURT: Did you read it?

THE DEFENDANT: Yes, your Honor.

THE COURT: Did you discuss it with Mr. Guha?

THE DEFENDANT: Yes, your Honor.

THE COURT: You have the right to have me read that superseding information right now on this Skype call. Or you can waive my reading of it, in which event I won't read it.

What's your pleasure, sir? It's entirely up to you.



1 THE DEFENDANT: I would like to waive that reading,  
2 your Honor.

3 THE COURT: All right. I accept that as a knowing and  
4 voluntary waiver, and I will not read the superseding  
5 information.

6 Do you understand that you're charged in Count One  
7 with engaging in wire fraud conspiracy in connection with the  
8 conduct of telemarketing from 2005 up to at least  
9 November 2019, a violation of 18 U.S. Code, Section 1349 and  
10 2326?

11 You've been charged in Count Two with aggravated  
12 identity theft from those same years in violation of 18 U.S.  
13 Code, Section 1028(a) and (2). You've been charged in Count  
14 Three with engaging in a conspiracy to commit money laundering  
15 from about those same dates.

16 And you've been charged in Count Four with unlawfully  
17 distributing and possessing with intent to distribute cocaine  
18 in 2018 and 2019 in violation of 21 U.S. Code, Section  
19 841(a)(1) and (b)(1)(C) and 18 U.S. Code, Section 2.

20 Do you understand all of those charges, sir?

21 THE DEFENDANT: Yes, your Honor.

22 THE COURT: Now, sir, I wish to inform you that you  
23 have a constitutional right to be charged by an indictment  
24 instead of by an information. An indictment, Mr. Handren, is a  
25 charge by a grand jury, but an information is simply a charge

1 by the government.

2 Do you understand that difference?

3 THE DEFENDANT: Yes, your Honor.

4 THE COURT: I have a document in front of me. It  
5 states: "The above-named defendant" -- and that's you --  
6 "who's accused of violating 18 U.S. Code 1028(a), 1349,  
7 1956(h), 2326, and 21 U.S. Code, Section 841, being advised of  
8 the nature of the charge and of his rights, hereby waives in  
9 open court prosecution by indictment and consents that the  
10 proceeding may be by information instead of by indictment."

11 Did you sign this document, sir?

12 THE DEFENDANT: Yes, your Honor.

13 THE COURT: Mr. Guha, did you sign it as well?

14 MR. GUHA: Yes, your Honor.

15 THE COURT: Do you understand, sir, that you've waived  
16 the right to be charged by an indictment and you've consented  
17 to being charged by an information of the government?

18 THE DEFENDANT: Yes, your Honor.

19 THE COURT: Do you do so, that is, did you waive that  
20 right, voluntarily and knowingly?

21 THE DEFENDANT: Yes, your Honor.

22 THE COURT: Do you understand that if you did not  
23 plead guilty, the government would have to prove each and every  
24 part or element of each of those four counts in the superseding  
25 information beyond a reasonable doubt at a trial?

1 THE DEFENDANT: Yes, your Honor.

2 THE COURT: All right. Mr. Sobelman, if you would set  
3 forth the elements of each of those four counts. That will  
4 take you some time, but please do so slowly and clearly.  
5 Proceed, sir.

6 MR. SOBELMAN: Thank you, your Honor.

7 Count One charges the defendant with wire fraud  
8 conspiracy, which is an agreement with others to commit wire  
9 fraud, and that he entered the agreement knowingly.

10 The elements are as follows:

11 One, the defendant agreed to participate in a wire  
12 fraud scheme.

13 Two, there was a scheme or artifice to defraud or to  
14 obtain money or property by materially false and fraudulent  
15 pretenses, representations, or promises.

16 Third, the defendant knowingly participated in the  
17 scheme or artifice to defraud with knowledge of its fraudulent  
18 nature and with the specific intent to defraud.

19 And fourth, in execution of that scheme, the defendant  
20 used or caused the use of the internet wires, that is, wires  
21 between states.

22 In addition here, there are two telemarketing  
23 enhancement elements:

24 First, that the conduct of telemarketing or email  
25 marketing was used in furtherance of the conspiracy.

And second, that ten or more persons over the age of 55 were victimized by the scheme.

In addition, we would have to prove by a preponderance of the evidence that an act in furtherance of the conspiracy was taken in the Southern District of New York.

Count Two charges aggravated identity theft which has four elements:

First, the defendant knowingly transferred, possessed or used;

Second, without lawful authority;

Third, a means of identification of another person;

Fourth, during and in relation to the wired conspiracy charged in Count One.

Venue is established for this crime as long as the established venue -- that venue is proper as the underlying charge. So it is derivative of venue in Count One.

Count Three charges a money-laundering conspiracy which is an agreement with others to commit a money-laundering offense in violation of Section 1956 and 1957.

The conspiracy has two objects as alleged:

The first object is under 1956(a)(1)(B)(i) and has five elements:

First, the defendant conducts or attempts to conduct;

Second, a financial transaction;

Third, knowing that the property involved in such a

financial transaction represents the proceeds of some form of unlawful activity;

Fourth, which in fact involves the proceeds of specified unlawful activity;

Fifth, while acting with the knowledge that the transaction is devised, in whole or in part, to disguise the nature, location, source, ownership, or control to proceeds of the specified unlawful activity.

The second object is under 1957(a) and has six elements:

One, the defendant engaged or attempted to engage in a monetary transaction;

Two, of a value greater than \$10,000;

Three, in criminally derived property;

Four, where property was derived from a specified unlawful activity;

Five, the defendant knew the transaction involved criminally derived property;

And six, the transaction took place in the United States.

We would have to prove venue by a preponderance of the evidence by showing that an act in furtherance of the conspiracy occurred in the Southern District of New York.

Count Four charges possession with the intent to distribute or distribution of a controlled substance. This has

1 three elements as charged in this case.

2 I'm sorry, your Honor. It appears that the defendant  
3 may have lost his connection.

4 THE COURT: I just saw that, yes. That just happened.

5 MR. GUHA: If it's helpful, I can call him right now  
6 to see. I'm assuming it's just a technical problem.

7 THE COURT: Sure. Speak with him. Normally people at  
8 this point know to dial back in, but go ahead.

9 MR. GUHA: I'll put myself on mute and call back in in  
10 case.

11 THE COURT: Thank you.

12 (Pause)

13 THE COURT: Mr. Handren, is that you?

14 THE DEFENDANT: Yes, your Honor.

15 THE COURT: I really would like to be able to see you  
16 during this plea.

17 Do you know what the issue is, sir?

18 THE DEFENDANT: There we go.

19 THE COURT: I see you.

20 Can you see and hear me, sir?

21 THE DEFENDANT: Yes, your Honor.

22 THE COURT: Thank you.

23 Now, Mr. Sobelman, I believe you had finished reciting  
24 all of the elements of the four counts we're dealing with.

25 Is that correct?

1 MR. SOBELMAN: No, your Honor. I was just about to do  
2 Count Four. That's where I left off, if your Honor wishes.

3 THE COURT: Go ahead, sir.

4 MR. SOBELMAN: Count Four charges the defendant with  
5 possession with intent to distribute or distribution of a  
6 controlled substance, here, cocaine. This has three elements:

7 First, the defendant knowingly possessed a controlled  
8 substance;

9 Second, the defendant possessed the controlled  
10 substance with the intent to distribute it to another person or  
11 did in fact distribute it to another person;

12 And third, the substance that the defendant possessed  
13 and were distributed contained a detectable amount of cocaine.

14 With respect to this charge, the government  
15 understands the defendant waives venue.

16 THE COURT: Mr. Handren, do you understand that those  
17 are the elements the government would have to prove beyond a  
18 reasonable doubt --

19 THE DEFENDANT: Yes, your Honor.

20 THE COURT: -- before a jury could return a verdict of  
21 guilty against you?

22 Now, I wish to inform you of the maximum possible  
23 penalties that can be imposed on you for each of those counts.

24 Now, the maximum possible penalty for Count One is 30  
25 years in prison plus five years' supervised release plus a fine

of the greatest of \$250,000 or twice the gross pecuniary gain derived from the offense or twice the gross pecuniary loss to individuals other than you resulting from the offense plus a mandatory \$100 special assessment.

And the maximum penalty for Count Two is a mandatory sentence of two years' imprisonment which must be imposed consecutively to any other incarceratory sentence imposed plus a maximum term of supervised release of one year and a maximum fine of the same amount as was the maximum in Count One plus a mandatory \$100 special assessment.

And the maximum penalty of Count Three is 20 years' imprisonment, a maximum term of three years' supervised release, a maximum fine of the greatest of \$500,000 or twice the value of the property involved in the transaction or twice the gross pecuniary gain derived from the offense or twice the gross pecuniary loss to individuals other than you resulting from the offense plus a mandatory \$100 special assessment.

And the maximum penalty of Count Four is 20 years in prison, life supervised release, and a maximum fine of the greatest of \$1,000,000 or twice the gross pecuniary gain derived from the offense or twice the gross pecuniary loss to individuals other than you resulting from the offense plus a mandatory \$100 special assessment.

Do you understand that those are the maximum penalties that you face for all of those four counts? Actually, each. I



1 listed each separately.

2 Do you understand that, sir?

3 THE DEFENDANT: Yes, your Honor.

4 THE COURT: Now, each of those counts also  
5 contained -- and I read it to you -- the maximum penalty for  
6 supervised release, the maximum term for supervised release.

7 Supervised release means that you're going to be under  
8 monitoring when you're released from prison. And that  
9 monitoring will be under terms and conditions that could lead  
10 to your re-imprisonment without a jury trial for all or part of  
11 the term of supervised release and without credit for time  
12 previously served on post-release supervision if you violate  
13 any term or condition of supervised release.

14 Do you understand that?

15 THE DEFENDANT: Yes, your Honor.

16 THE COURT: Do you also understand that I have the  
17 authority to order restitution to anyone who's been injured as  
18 a result of your criminal conduct?

19 Do you understand that?

20 THE DEFENDANT: Yes, your Honor.

21 THE COURT: Now, I told you, sir, what the maximum  
22 penalties were. But in this case, there are also minimum  
23 penalties that I must impose, unless certain conditions are  
24 met.

25 And those minimum penalties are as follows:

1 In Count One, it's the mandatory \$100 special  
2 assessment.

3 In Count Two, it's a mandatory sentence of two years'  
4 imprisonment to be imposed consecutively to any other sentence  
5 I impose.

6 In Count Three, it's the \$100 special assessment.

7 And in Count Four, it's a mandatory minimum term of  
8 three years' supervised release plus the mandatory special  
9 assessment.

10 Do you understand that those are the minimum penalties  
11 I must impose unless certain conditions are met?

12 THE DEFENDANT: Yes, your Honor.

13 THE COURT: Now, you're pleading guilty to four  
14 different counts in this superseding information.

15 MR. SOBELMAN: Your Honor, apologies. I don't mean to  
16 interrupt. But it appears Mr. Guha may have accidentally  
17 dropped from the meeting.

18 THE COURT: All right. Let's get him back. I'm sure  
19 he knows how to join us.

20 Thank you for watching that, sir.

21 (Pause)

22 MR. GUHA: My apologies, your Honor.

23 THE COURT: I don't see you yet. There we are. Okay.  
24 Everyone is back.

25 MR. GUHA: Your Honor, when I dropped off, you were

beginning to advise Mr. Handren about the mandatory penalties that may apply here.

THE COURT: I had not gone through the counts yet?

MR. GUHA: You had gone through the maximum penalties on each count, and I believe you were just about to proceed on what mandatory penalties, minimum penalties, may be applicable.

THE COURT: All right. I'll restate what I was doing so that Mr. Guha hears them. I actually had done all or almost all of them. But I'll re-do them. That's fine. I do want you to be on for each of them.

MR. GUHA: Thank you, your Honor.

THE COURT: The mandatory minimum for Count One, Mr. Handren, is the \$100 special assessment.

And the mandatory minimum for Count Two is two years' imprisonment that has to be imposed consecutively to any other sentence imposed plus a \$100 special assessment.

The mandatory minimum for Count Three is the \$100 special assessment.

And the mandatory minimum for Count Four is three years' supervised release plus the mandatory \$100 special assessment.

Do you understand those are the mandatory minimums, sir?

THE DEFENDANT: Yes, your Honor.

THE COURT: Now, I'm going to be sentencing you

1 separately on each of the four counts.

2 Do you understand that?

3 THE DEFENDANT: Yes, your Honor.

4 THE COURT: And I have the ability to sentence you  
5 consecutively, meaning one after the other, for Counts One,  
6 Two, Three, and Four. I also have the ability to sentence you  
7 concurrently on each of the counts, meaning I can sentence you  
8 to serve those terms at the same time rather than one after the  
9 other.

10 Do you understand that?

11 THE DEFENDANT: Yes, your Honor.

12 THE COURT: But if I do decide to sentence you  
13 consecutively, do you understand you'd face a maximum term of  
14 imprisonment of 72 years in prison with a mandatory minimum of  
15 two years' imprisonment?

16 THE DEFENDANT: Yes, your Honor.

17 THE COURT: Do you understand that if I accept your  
18 guilty plea this morning, sir, and determine you to be guilty,  
19 that determination may deprive you of certain valuable civil  
20 rights such as the right to vote, the right to hold public  
21 office, the right to serve on a jury, and the right to possess  
22 any kind of firearm?

23 THE DEFENDANT: Yes, your Honor.

24 THE COURT: Mr. Guha, I assume your client is a  
25 United States citizen.

1 Is that a correct?

2 MR. GUHA: That is, your Honor.

3 THE COURT: Mr. Handren, there are sentencing  
4 guidelines that used to be mandatory in the federal criminal  
5 justice system, and currently, since about 2005 or so, they've  
6 been advisory.

7 Have you talked to Mr. Guha about the sentencing  
8 guidelines?

9 THE DEFENDANT: Yes, your Honor.

10 THE COURT: Do you understand that I have to determine  
11 what the relevant guideline range is as I commence my analysis  
12 of what's appropriate to sentence you to?

13 Before I can determine what the range is, the  
14 guideline range is, I receive a report from the probation  
15 department about your crime and about your upbringing, your  
16 finances, basically everything.

17 Do you understand that?

18 THE DEFENDANT: Yes, your Honor.

19 THE COURT: So they're going to interview you. Give  
20 them complete and accurate information, sir, because I'm going  
21 to use that report.

22 You, Mr. Guha, Mr. Sobelman will all have the ability  
23 to read that and to file any objections to the findings of fact  
24 and the determination of the guideline range, at least in the  
25 view of the probation department, after that report is

delivered to everybody.

Do you understand that?

THE DEFENDANT: Yes, your Honor.

THE COURT: Now, after I determine what the guideline range is, I then have to determine whether there are grounds to depart, either upward or downward, from the guideline range.

Do you understand that?

THE DEFENDANT: Yes, your Honor.

THE COURT: Even after I do that, I then have to apply all of the factors in 18 U.S. Code, Section 3553(a) to determine what a fair and reasonable and appropriate sentence is.

Do you understand that?

THE DEFENDANT: Yes, your Honor.

THE COURT: Do you understand that if you're sentenced to prison, the system of parole that used to exist has been abolished and you won't be released any earlier from your prison term on parole?

THE DEFENDANT: Yes, your Honor.

THE COURT: Do you understand that if anyone has tried to tell you what your sentence is going to be, everybody could be wrong? Do you understand that?

Because I'm the one who decides what your sentence is, and I don't know what your sentence is going to be because I don't know enough about your role in this crime or anything

1 else about you -- your criminal history, if any, all of the  
2 factors that go into who a person is. I just don't know any of  
3 that. So I don't know what I'm going to sentence you to.

4 Do you understand that?

5 THE DEFENDANT: Yes, your Honor.

6 THE COURT: If you are sentenced to something you  
7 don't think you're going to be sentenced to or if you're  
8 sentenced to something that's different than what somebody told  
9 you they thought you were going to get, you still are going to  
10 be bound to this guilty plea, sir, and you won't be allowed to  
11 withdraw it.

12 Do you understand that?

13 THE DEFENDANT: Yes, your Honor.

14 THE COURT: Now, I have a document here -- I also  
15 should put on the record so that everybody knows.

16 This is a public proceeding, and I can see that there  
17 are a variety of participants on this call. I don't have any  
18 information as to who those other people are. Just be aware,  
19 as I'm sure everybody is, that this is a public proceeding.

20 I have a document. It's dated March 17. It's seven  
21 pages long. It's from it looks like Ms. Fletcher to Mr. Guha,  
22 and I will refer to this as the plea agreement.

23 Is this your signature on the last page, sir?

24 THE DEFENDANT: Yes, your Honor.

25 THE COURT: Mr. Guha, did you sign it, sir?

1 THE DEFENDANT: Yes, I did, your Honor.

2 THE COURT: Mr. Handren, did you read this document  
3 before you signed it?

4 THE DEFENDANT: Yes, your Honor.

5 THE COURT: Did you understand it prior to signing it?

6 THE DEFENDANT: Yes, your Honor.

7 THE COURT: Did you discuss it with Mr. Guha prior to  
8 signing it?

9 THE DEFENDANT: Yes, your Honor.

10 THE COURT: Did you fully understand the agreement at  
11 the time you signed it?

12 THE DEFENDANT: Yes, your Honor.

13 THE COURT: Does this letter agreement constitute your  
14 complete and total understanding of the entire agreement  
15 between the government, Mr. Guha, and yourself?

16 THE DEFENDANT: Yes, your Honor.

17 THE COURT: Is there anything about your plea and  
18 sentence that's been left out of this agreement?

19 THE DEFENDANT: No, your Honor.

20 THE COURT: Is everything about your plea and sentence  
21 contained in this agreement?

22 THE DEFENDANT: Yes, your Honor.

23 THE COURT: Has anyone offered you any inducements or  
24 threatened you or forced you to plead guilty?

25 THE DEFENDANT: No, your Honor.



1 THE COURT: Do you understand that in this plea  
2 agreement, you have agreed that at least two weeks prior to  
3 your sentencing you'll file with the IRS accurate amended tax  
4 returns for the years 2005 through 2019 and you'll pay past  
5 taxes due and owing to the IRS, including applicable penalties?

6 THE DEFENDANT: Yes, your Honor.

7 THE COURT: Do you understand that in this you've  
8 agreed to make restitution in an amount I specify?

9 THE DEFENDANT: Yes, your Honor.

10 THE COURT: Do you understand that in this, you've  
11 admitted the forfeiture allegations with respect to Counts One  
12 and Three and agreed to forfeit to the United States money and  
13 any property derived from the crimes that you're stating you  
14 committed?

15 THE DEFENDANT: Yes, your Honor.

16 THE COURT: Mr. Guha, are you aware of any valid  
17 reason that would prevail at trial or know of any reason why  
18 Mr. Handren should not be allowed to plead guilty to Counts  
19 One, Two, Three, and Four of the superseding information here?

20 MR. GUHA: I am not, your Honor.

21 THE COURT: Is there an adequate factual basis to  
22 support Mr. Handren's plea in your view, sir?

23 MR. GUHA: Yes, your Honor. There is.

24 THE COURT: And, Mr. Sobelman, in the view of the  
25 government, is there an adequate factual basis to support

1 Mr. Handren's plea?

2 MR. SOBELMAN: Yes, your Honor.

3 THE COURT: Mr. Handren, tell me now what you did that  
4 makes you guilty of Counts One, Two, Three, and Four.

5 THE DEFENDANT: On Count One, your Honor, from in or  
6 about 2005 until November 2019, I conspired and agreed with  
7 other individuals to devise a scheme to defraud for the purpose  
8 of obtaining money.

9 In furtherance of this scheme, I and others in the  
10 conspiracy used wire communications in interstate commerce. I  
11 ran sales floors where we offered business services to victims  
12 knowing that the services would in fact provide little or no  
13 value to the victims' businesses.

14 On Count Two, from in or about 2005 until  
15 November 2019, I transferred the identification of other  
16 people, including credit card numbers, to further the wire  
17 fraud charge in Count One to which I pled guilty just now.

18 For example, I bought and sold leads that were stolen  
19 to further our scheme.

20 Count Three, from in or about -- I'm so sorry, your  
21 Honor.

22 (Pause)

23 THE DEFENDANT: Sorry about that, your Honor.

24 Count Three, from in or about 2005 until November of  
25 2019, I conspired and agreed with other individuals to engage

1 in financial transactions involving the proceeds of unlawful  
2 activity.

3 I and the others in the conspiracy designated the  
4 transactions to conceal and disguise the nature of these  
5 proceeds. Again, as an example, my partners and I used other  
6 peoples' merchant accounts, and we transferred money between  
7 merchant accounts. We also sent money to other merchant  
8 accounts that were located overseas.

9 On Count Four, in or about 2018 or 2019, I distributed  
10 and possessed approximately \$600 of a controlled substance  
11 which I believed contained cocaine.

12 I received funds from another individual to pick up a  
13 small quantity of this substance and delivered the substance to  
14 that person. I did not receive any payment for my role in this  
15 transaction, and I did not use any of the substance in  
16 question.

17 With respect to Counts One, Two, and Three, a part of  
18 the conduct occurred in the Southern District of New York.

19 With respect to Count Four, I am waiving any  
20 challenges to venue which may otherwise exist.

21 Your Honor, I want to be clear. I take full  
22 responsibility for my objections, and I knew it was wrong.

23 THE COURT: Did you know it was illegal?

24 THE DEFENDANT: Yes, your Honor.

25 THE COURT: Now, I'm intrigued by the stolen leads.

1 Tell me a little bit about that.

2 THE DEFENDANT: I participated in distributing leads  
3 that were not mine that we obtained illegally and then  
4 forwarded it on to individuals to sell products and services  
5 that had little to no value.

6 THE COURT: In other words, you didn't get the leads  
7 from legitimate fashion.

8 Is that it?

9 THE DEFENDANT: That is correct, your Honor.

10 THE COURT: Government, what's the evidence against  
11 Mr. Handren that you have?

12 MR. SOBELMAN: Your Honor, before I recite that for  
13 the Court, I would just ask the Court to clarify.

14 I don't know whether I heard it correctly or not with  
15 Mr. Handren, whether he said he used merchant accounts to send  
16 money abroad or bank accounts. I'm not sure if he misspoke or  
17 I misheard. I just want to make sure the record is clear.

18 THE COURT: Mr. Handren.

19 THE DEFENDANT: I'm sorry, your Honor. I believe I  
20 misspoke. I used bank accounts to send money overseas.

21 THE COURT: Mr. Sobelman, anything else?

22 MR. SOBELMAN: I don't believe so, your Honor.

23 THE COURT: What evidence do you have here against  
24 him?

25 MR. SOBELMAN: Yes, your Honor. If the case proceeded

1 to trial, the evidence would include, among other things:

2 Cooperating witness testimony, testimony from victims  
3 and documentary evidence regarding victims being harmed by the  
4 scheme; search warrant results from premises warrants of  
5 residences, telemarketing floors, and email and other  
6 electronic accounts; bank and other financial records; law  
7 enforcement testimony; testimony of a forensic accountant  
8 showing the tracing of funds; and recordings of members of the  
9 conspiracy that were made in the course of the investigation.

10 THE COURT: Mr. Handren, how do you now plead to the  
11 charges in Counts One, Two, Three, and Four of superseding  
12 information S3 19 cr 833? Guilty or not guilty, sir.

13 THE DEFENDANT: Guilty.

14 THE COURT: Are you pleading guilty because you are  
15 guilty?

16 THE DEFENDANT: Yes, your Honor.

17 THE COURT: Are you pleading guilty voluntarily and of  
18 your own free will?

19 THE DEFENDANT: Yes, your Honor.

20 THE COURT: Mr. Guha, do you wish anything else on the  
21 allocution?

22 MR. GUHA: No, your Honor.

23 THE COURT: Mr. Sobelman?

24 MR. SOBELMAN: No, your Honor.

25 THE COURT: Mr. Handren, because you acknowledge

1 you're guilty as charged, because I find you know your rights  
2 and are waiving them knowingly and voluntarily, because I find  
3 your plea is entered knowingly and voluntarily and is supported  
4 by an independent basis in fact containing each of the  
5 essential elements of the offense, I accept your guilty plea,  
6 sir. And I determine you to be guilty of Counts One, Two,  
7 Three, and Four.

8 I'm setting the date for sentence at September 24 at  
9 11:00 a.m. in my courtroom. I'm going to keep you out on bail,  
10 sir. But you have to continue to abide by all of the  
11 conditions that have been imposed on you so far.

12 Do you understand that?

13 THE DEFENDANT: Yes, your Honor.

14 THE COURT: If you violate any of those conditions, a  
15 petition may be brought against you. And it's very possible  
16 and likely, depending on what the violation would be, that you  
17 would be remanded.

18 Do you understand?

19 THE DEFENDANT: Yes, your Honor.

20 THE COURT: So it's important that you follow all of  
21 those conditions. I'll see you then on September 24 at  
22 11:00 a.m.

23 Mr. Guha, anything else?

24 MR. GUHA: Nothing else, your Honor. Thank you and  
25 your chambers for all the assistance in setting this up so we

1 could do it by video.

2 THE COURT: Of course.

3 Mr. Sobelman, anything else?

4 MR. SOBELMAN: No, your Honor. Thank you.

5 THE COURT: All right, everyone. Stay safe. Thank  
6 you. The Court is leaving the call.

7 (Adjourned)

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25